AMENDED IN ASSEMBLY APRIL 26, 2010 AMENDED IN ASSEMBLY MARCH 24, 2010 AMENDED IN ASSEMBLY MARCH 15, 2010

CALIFORNIA LEGISLATURE—2009-10 REGULAR SESSION

ASSEMBLY BILL

No. 1809

Introduced by Assembly Member Smyth

February 10, 2010

An act to amend Section 7195 of, and to add Section 7195.1 to, add Chapter 9.4 (commencing with Section 7199.5) to Division 3 of the Business and Professions Code, relating to home inspections.

LEGISLATIVE COUNSEL'S DIGEST

AB 1809, as amended, Smyth. Home inspections: energy audits.

Existing law provides that it is the duty of a home inspector, as defined, who is not licensed as a general contractor, structural pest control operator, or architect, or registered as a professional engineer, to conduct a home inspection, as defined, with the degree of care that a reasonably prudent home inspector would exercise. Existing law provides that a home inspection may include an inspection of energy efficiency, if requested by the client. Under existing law, a home inspection report is a written report consisting of specified information that is prepared for a fee and is issued after a home inspection.

Existing law, the Warren-Alquist State Energy Resources Conservation and Development Act, requires the State Energy Resources Conservation and Development Commission to establish specified standards related to a statewide home energy rating program for residential dwellings, known as the Home Energy Rating System (HERS) program.

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This bill would authorize a home inspection to include, *if requested* by the client, an inspection of energy efficiency or a HERS home energy audit. If the client requests a HERS home energy audit, the bill would require the home inspection report to include certain additional specified information. The bill would declare the intent of the Legislature that a HERS audit may, at the request of the client, be performed *during* escrow by a home inspector who is HERS-home energy certified-home inspector.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 9.4 (commencing with Section 7199.5) is added to Division 3 of the Business and Professions Code, to read:

Chapter 9.4. Home Energy Rating System (HERS) Home Inspections

- 7199.5. (a) All home inspections, including those defined in paragraph (1) of subdivision (a) of Section 7195, may, if requested by the client, include an inspection of energy efficiency or a Home Energy Rating System (HERS) California home energy audit established by Section 25942 of the Public Resources Code.
- (b) If the client requests a HERS California home energy audit established by Section 25942 of the Public Resources Code, the HERS California home inspection report or the home inspection report defined in subdivision (c) of Section 7195 shall, at a minimum, also include all of the following information:
- (1) An overview of how the home works as a system and how to prioritize actions.
- (2) Quality installation of heating, ventilating, and air-conditioning (HVAC) equipment including proper sizing of equipment, duct sealing, and refrigerant charge and air flow.
- (3) Quality building envelope air sealing and proper levels of insulation.
- 25 (4) An overview of ENERGYSTAR or better products and 26 appliances.

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(5) Information regarding access to a comprehensive home energy audit.

- (6) Nonenergy benefits of improving the energy efficiency of the home including reduction of carbon emissions.
- (7) A general statement regarding opportunities to improve the thermal envelope, mechanical equipment, lighting, and appliances in the home.
- (8) A general discussion of concerns regarding combustion safety.
- 7199.7. It is the intent of the Legislature that a Home Energy Rating System (HERS) California home energy audit may, at the request of the client, be performed during escrow by a home inspector who is HERS certified.
- SECTION 1. Section 7195 of the Business and Professions Code is amended to read:
- 7195. For purposes of this chapter, the following definitions apply:
- (a) (1) "Home inspection" is a noninvasive, physical examination, performed for a fee in connection with a transfer, as defined in subdivision (e), of real property, of the mechanical, electrical, or plumbing systems or the structural and essential components of a residential dwelling of one to four units designed to identify material defects in those systems, structures, and components. "Home inspection" includes any consultation regarding the property that is represented to be a home inspection or any confusingly similar term.
- (2) "Home inspection," if requested by the client, may include an inspection of energy efficiency or a Home Energy Rating System (HERS) California home energy audit established by Section 25942 of the Public Resources Code. Energy efficiency items to be inspected may include the following:
- 32 (A) A noninvasive inspection of insulation R-values in attics, roofs, walls, floors, and ducts.
 - (B) The number of window glass panes and frame types.
- 35 (C) The heating and cooling equipment and water heating 36 systems.
- 37 (D) The age and fuel type of major appliances.
- 38 (E) The exhaust and cooling fans.
- 39 (F) The type of thermostat and other systems.

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1 (G) The general integrity and potential leakage areas of walls, window areas, doors, and duct systems.

- (H) The solar control efficiency of existing windows.
- (b) A "material defect" is a condition that significantly affects the value, desirability, habitability, or safety of the dwelling. Style or aesthetics shall not be considered in determining whether a system, structure, or component is defective.
- (c) A "home inspection report" is a written report prepared for a fee and issued after a home inspection. The report clearly describes and identifies the inspected systems, structures, or components of the dwelling, any material defects identified, and any recommendations regarding the conditions observed or recommendations for evaluation by appropriate persons.

If the client requests a HERS California home energy audit established by Section 25942 of the Public Resources Code, the HERS California home inspection report, at a minimum, shall also include all of the following information:

- (1) An overview of how the home works as a system and how to prioritize actions.
- (2) Quality installation of heating, ventilating, and air-conditioning (HVAC) equipment including proper sizing of equipment, duet sealing, and refrigerant charge and air flow.
- (3) Quality building envelope air sealing and proper levels of insulation.
- (4) An overview of ENERGY STAR or better products and appliances.
- (5) Information regarding access to a comprehensive home energy audit.
- (6) Nonenergy benefits of improving the energy efficiency of the home including reduction of carbon emissions.
- (7) A general statement regarding opportunities to improve the thermal envelope, mechanical equipment, lighting, and appliances in the home.
- (8) A general discussion of concerns regarding combustion safety.
- (d) A "home inspector" is any individual who performs a home inspection.
- (e) "Transfer" is a transfer by sale, exchange, installment land sales contract, as defined in Section 2985 of the Civil Code, lease with an option to purchase, any other option to purchase, or ground

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lease coupled with improvements, of real property or residential stock cooperative, improved with or consisting of not less than one nor more than four dwelling units.

- SEC. 2. Section 7195.1 is added to the Business and Professions Code, to read:
- 7195.1. It is the intent of the Legislature that a Home Energy Rating System (HERS) California home energy audit may, at the
- 8 request of the client, be performed during escrow by a home
- 9 inspector who is HERS certified.

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